Tree Assistance Program - Florida Citrus Greening

OVERVIEW

The Agricultural Act of 2014 (the 2014 Farm Bill) authorized the Tree Assistance Program (TAP) to provide financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters, including disease.

The 2014 Farm Bill makes TAP a permanent disaster program and provides retroactive authority to cover eligible losses back to Oct. 1, 2011.

TAP is administered by the Farm Service Agency (FSA) of the U.S. Department of Agriculture (USDA).

HUANGLONGBING (CITRUS GREENING)

Citrus greening, also called Huanglongbing (HLB), or yellow dragon disease, is one of the more serious diseases of citrus. This bacterial disease is thought to have originated in China in the early 1900s. The disease is primarily spread by two species of psyllid insects. One species, the Asian citrus psyllid, Diaphorina citri, has been present in Florida since 1998. There are three strains of the bacteria. The Asian strain, Candidatus Liberibacter asiaticus, was found in Florida in early September 2005. Citrus greening disease is a threat to the U.S. citrus industry. Other than tree removal, there is no effective control once a tree is infected and there is no known cure for the disease. Infected trees may produce misshapen, unmarketable, bitter fruit, reducing the quantity and quality of citrus fruits, producing fruit that is unsuitable for sale as fresh fruit or for juice, and eventually rendering infected trees useless. In areas of world affected by citrus greening the average productive lifespan of citrus trees has dropped from 50 or more years to 15 or less. The trees in the orchards usually die three to five years after becoming infected and require removal and replanting.


ELIGIBLE TREE TYPES

Florida was recently approved under TAP to recognize citrus greening as an eligible cause of loss. Eligible orchard or citrus trees, bushes and vines are those from which an annual crop is produced for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees produced for commercial sale. Trees used for pulp or timber are ineligible.

ELIGIBLE LOSSES

To be considered an eligible loss:

- Eligible trees, bushes or vines must have been lost or damaged as a result of natural disaster;
- The individual stand must have sustained a mortality loss in excess of 15 percent after adjustment for normal mortality to be determined based on:
  - Each eligible disaster event, except for losses due to plant disease; and
  - For plant disease, the time period as determined by the FSA for which the stand is infected.
- The loss could not have been prevented through reasonable and available measures;
- The damage or loss must be visible and obvious to the FSA representative; if the damage is no longer visible, FSA may accept other loss evidence that the agency determines is reasonable; and
- FSA may require information from a qualified expert to determine extent of loss in the case of plant disease or insect infestation.
LOSSES DUE TO HUANGLONGBING (CITRUS GREENING) IN FLORIDA FOR CITRUS GROWERS

Citrus growers in Florida who sustain mortality losses due to citrus greening must meet the eligible loss criteria above. Since citrus greening is a disease, mortality related to citrus greening may be assessed over a six-year period. The loss period due to citrus greening begins when the grower first recognizes the disease in the stand, and ends when an infected tree becomes either biologically dead or no longer commercially viable. Under the Florida request as approved, citrus growers are allowed to choose one of the following options for TAP participation:

Option 1: Apply for TAP during any year in which the stand sustained a mortality loss in excess of 15 percent after adjustment for normal mortality. If the grower chooses this option, the grower would contact their FSA administrative county to report the percentage of trees they wished to replace prior to tree removal. An FSA representative will perform a field visit to verify the actual loss.

Option 2: If tree mortality of 15 percent, after adjustment for normal mortality, has not been met, the grower may accumulate mortality over multiple years (not to exceed a total of six) and apply for TAP at that time. Growers should contact their FSA administrative county office to report greening. Further, growers are asked to document annually (up to six years) the total number of lost trees.

Although TAP allows producers to request assistance when multiple losses from subsequent disaster events occur, and file multiple applications for payment, growers who receive a TAP payment due to citrus greening will not be eligible for additional TAP payments on the resets (newly trees planted) until they have reached the age of maturity (six years of age). However, if the resets are affected by another natural disaster event, i.e., hurricane, and suffer mortality losses in excess of 15 percent, adjusted for normal mortality, such resets would be eligible for TAP assistance.

CITRUS GREENING BEST MANAGEMENT PRACTICES

Since it is in the best interest of the citrus industry for growers to follow best management practices in maintaining their groves in an effort to slow the spread of citrus greening, citrus growers must be prepared to show documentation of best management practices used to reduce the impact of citrus greening.

ELIGIBLE PRODUCERS

To qualify for TAP, orchardists, citrus and nursery tree growers must:

- Have suffered qualifying tree, bush or vine losses in excess of 15 percent mortality (adjusted for normal mortality) from an eligible natural disaster for the individual stand;
- Have owned the eligible trees, bushes and vines when the natural disaster occurred, but eligible growers are not required to own the land on which eligible trees, bushes and vines are planted; and
- Replace eligible trees, bushes and vines within 12 months from the date the application is approved.

ACREAGE LIMITATIONS

The cumulative total quantity of acres planted to trees, bushes or vines for which a producer can receive TAP payments cannot exceed 500 acres annually.

PAYMENT LIMITATION AND ADJUSTED GROSS INCOME (AGI)

For 2012 and subsequent program years, no person or legal entity, excluding a joint venture or general partnership, may receive, directly or indirectly, more than $125,000 total in payments under TAP.

For 2011, no person or legal entity, excluding a joint venture or general partnership, may receive, directly or indirectly, more than $125,000 total in the 2011 program year in payments under TAP, when at least $25,000 of such total 2011 program payments is from TAP, for losses from Oct. 1, 2011, through Dec. 31, 2011.
In applying the limitation on average adjusted gross income, an individual or entity is ineligible for payment under TAP if the average AGI of the individual or entity exceeds $900,000.

Direct attribution provisions apply to TAP for 2011 and subsequent years. Under direct attribution, any payment to a legal entity will be considered (for payment limitation purposes) to be a payment to persons or legal entities with an interest in the legal entity or in a sub-entity.

PAYMENT CALCULATOR

For tree, bush or vine replacement, replanting and/or rehabilitation, the payment calculation is the lesser of the following:

• 65 percent of the actual cost of replanting, in excess of 15 percent mortality (adjusted for normal mortality), and/or 50 percent of the actual cost of rehabilitation, in excess of 15 percent damage or mortality (adjusted for normal tree damage and mortality); or

• The maximum eligible amount established for the practice by FSA.

ENROLLMENT IN TAP

Orchardists, citrus and nursery tree growers may apply to receive TAP benefits with the FSA office that maintains the farm records for their agricultural operation beginning April 15, 2014, for losses suffered on or after Oct. 1, 2011, through the end of the 2014 calendar year.

The following table provides the final dates to submit a TAP application and supporting documentation:

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<tr>
<th>Date of Loss</th>
<th>Final Date to Submit an Application and Supporting Documentation</th>
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<tbody>
<tr>
<td>On or after Oct. 1, 2011, through the end of the 2014 calendar year</td>
<td>Later of Jan. 31, 2015, or:</td>
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<td>• 90 calendar days after the disaster event; or</td>
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<td>• The date the loss is apparent.</td>
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<tr>
<td>Calendar year 2015 and subsequent years</td>
<td>Later of 90 calendar days of:</td>
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<td></td>
<td>• The disaster event; or</td>
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<td>• The date when the loss is apparent.</td>
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